



# Department of Justice

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Middle District of Florida

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November 5, 2009			PHONE: (813) 274-6136	
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## **JACKSONVILLE MAN SENTENCED TO SEVEN YEARS IN MORTGAGE FRAUD SCHEME**

Jacksonville, Florida - United States Attorney A. Brian Albritton announces that U.S. District Judge Henry Lee Adams, Jr., today sentenced Juan Carlos Gonzalez (age 51, of Jacksonville) to seven years in federal prison for conspiring to commit wire and bank fraud. The court also entered a money judgment against Gonzalez for \$6,296,303.65, the amount that Gonzalez obtained from the fraud. Gonzalez had pleaded guilty on November 25, 2008.

According to court documents, during 2004 and 2005, Gonzalez contracted to purchase 55 properties. For each property, Gonzalez directed an appraiser to significantly inflate the property's value and submitted the inflated price to a lender to support a mortgage loan based on that price.

Gonzalez also submitted fraudulent financial documents and information, including altered bank statements and payroll records, to cause the lender to approve a loan for a higher amount.

At each closing, Gonzalez received the difference between the loan amount, which was based on the inflated appraisal, and the actual purchase price.

Gonzalez's plea agreement details one transaction in which Gonzalez contracted to purchase a house for \$490,000, obtained an inflated appraisal for \$625,000, and submitted first and second mortgage loan applications reflecting a sales price of \$625,000. Gonzalez also submitted altered bank account statements showing significantly larger cash balances than actually existed. The lender approved the loans, and, at the closing Gonzalez received \$134,000, listed on closing documents as an "Assignment of Contract Fee."

Gonzalez's fraudulent acts resulted in lenders extending more than \$29,272,000 in first and second mortgage loans. Gonzalez, who had no other source of significant income, received \$6,296,303.65 from his scheme.

The case was investigated by the Federal Bureau of Investigation (FBI). It was prosecuted by Assistant United States Attorney Arnold B. Corsmeier.

This case was brought as part of the Middle District of Florida's Mortgage Fraud Surge, a joint effort by the U.S. Attorney's Office for the Middle District of Florida, the Federal Bureau of Investigation, Tampa and Jacksonville Divisions, and numerous other federal, state, and local law enforcement agencies. The Surge, which ended October 31, focused intensive investigative and prosecutorial resources on the mortgage fraud crisis that plagues middle Florida and has contributed to the current economic situation nationwide. The Surge accelerated mortgage fraud cases to bring perpetrators to justice quickly and provide maximum deterrence, and it was the first step in an ongoing effort to prosecute mortgage fraud of all types throughout the Middle District. For more information on the Middle District of Florida's Mortgage Fraud Surge, please contact Steve Cole, Public Affairs Officer for the United States Attorney's Office.